

Urges Congress to Pass COBRA Assistance Extension by Year's End

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MEDIA, PA - This afternoon Congressman Joe Sestak (PA-07) met with laid-off American workers who have lost or are in danger of losing critical health benefits during the holiday season if Congress does not act on legislation he introduced to extend COBRA premium assistance. About a dozen workers from throughout the Philadelphia area joined the Congressman at the Philadelphia Unemployment Project (PUP) to tell their stories and express the urgency of extending these benefits, which have provided expanded healthcare coverage for unemployed workers during the ongoing economic crisis.

"We must act quickly," said Congressman Sestak. "Extended COBRA benefits that were included in the Economic Stimulus have already begun to run out on Americans hurt by the recession.

"Losing one's job is difficult enough. But losing one's health care along with it -- and worrying about being able to get treatment for oneself and one's family, or fearing bankruptcy in the event of injury or illness -- is something Americans should not have to cope with in this difficult time."

The individuals in attendance represented the hundreds of others from as far away as California and Arizona who have contacted Congressman Sestak's office in support of the Extended COBRA Continuation Protection Act. Among those who have shared their stories, is a gentleman from Virginia to express the impact of recently losing his COBRA subsidy on his family.

"Its expiration as of December 1 is hard-felt as we try to honor our mortgage and household obligations," he stated," he said. "My extended unemployment benefits expire next month and we are desperately trying to find ways to continue living by now modest standards ... this legislation provides us with a lifeline as we, among millions of Americans in similar straits, tread water, and try to avoid the pain of foreclosure and/or bankruptcy. The affordability of COBRA, and medical insurance in general, is critical to us as a block against potential financial devastation the often results from medical catastrophe. Additionally, the coverage of basic preventive procedures and prescriptions is made affordable by this important legislation."

A woman from Congressman Sestak's District, Bonnie Hunter (Glen Mills), expressed the peace of mind it would bring her and her family if the COBRA subsidy was extended, keeping her family's premium from ballooning from \$400 a month to over \$1,000.

"Extending the eligibility of COBRA benefits to 24 months would give us the peace of knowing that our medical necessities will be met for a while longer while we await the implementation of a new healthcare reform act," she said, "If H.R. 3930 passes, we will again be able to manage our finances without risking our future. In order to pay our mortgage, car payment and healthcare expenses in addition to the standard costs of "doing business", we have had to take a significant amount of money out of our 401K during these terrible financial times."

Renee Ward from Berwyn, Pennsylvania, explained that she, while in the middle of a job search, was still paying more than 10% more than the previous year, even with the government subsidy.

“Although the government subsidized 65% of the cost the payment was more than double the contribution I paid through my former company's health benefit plan,” she said. “Last month the government's contribution ended and my December payment tripled. Monthly payments will be increased almost 10% moving into 2010. This is very impactful for someone who is collecting unemployment, too young to take advantage of Medicare, and still looking for a job.”

Also joining Congressman Sestak was Mr. John Dodds, Director of the Philadelphia Unemployment Project (PUP) which was organized in 1975 to advocate and offer assistance for the needs of low income and unemployed people including housing, jobs, transportation, and healthcare. Mr. Dodds discussed some of the services PUP provides throughout the Greater Philadelphia region including assistance in finding or maintaining health insurance.

Of the responses to the Congressman's invitation for today's event, one man, unable to be there in person, explained that after his COBRA subsidy expired, he was forced to pay a monthly premium of \$1,500, which is more than his monthly unemployment compensation.

First introduced in October, Congressman Sestak's Extended COBRA Continuation Protection Act (HR 3930) has now picked up six co-sponsors as well as a companion bill in the Senate. The bill extends COBRA benefits through three main provisions. First, it extends from 9 to 15 months the total allowable time an unemployed worker can receive COBRA premium assistance. This will allow workers who enrolled in February to continue on until at least May 2010. Second, it extends this assistance to individuals who are involuntarily terminated between January 1 and June 30, 2010. Third, it extends eligibility for traditional COBRA coverage from 18 to 24 months, for those terminated at the beginning of the recession in 2008. No COBRA premium assistance would continue beyond December 31, 2010.

“As so many people have expressed both here and in the hundreds of letters and emails I have received, hardworking people who have suffered most from the mistakes of others should not have to decide between trying to meet an enormous expense or going without health care,” said Congressman Sestak. “This legislation is important to keeping our commitment to America's working families who were the engine of our prosperity but are now, through no fault of their own, still bearing the brunt of this recession.”

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including as Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, the Congressman was the first Director of “Deep Blue,” the Navy's anti-terrorism unit that established strategic and operations policies for the “Global War on Terrorism.” He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, the

Congressman is the highest-ranking former military officer ever elected to the U.S. Congress.
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